

Senate File 2354 - Introduced

SENATE FILE _____
BY COMMITTEE ON VETERANS
AFFAIRS

(SUCCESSOR TO SF 2224)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act concerning the home ownership assistance program for
2 members of the military.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5915SV 82
5 ec/nh/5

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1 1 Section 1. NEW SECTION. 16.54 HOME OWNERSHIP ASSISTANCE
1 2 PROGRAM FOR MILITARY MEMBERS.
1 3 1. For the purposes of this section, "eligible member of
1 4 the armed forces of the United States" means a person who is
1 5 or was a member of the national guard, reserve, or regular
1 6 component of the armed forces of the United States who has
1 7 served at least ninety days of active duty service beginning
1 8 on or after September 11, 2001, in an area designated by the
1 9 president of the United States or the United States Congress
1 10 as a combat zone or as a qualified hazardous duty area, or
1 11 deployed outside the United States away from the individual's
1 12 permanent duty station while participating in an operation
1 13 designated by the United States secretary of defense as a
1 14 contingency operation as defined in 10 U.S.C. } 101(a)(13), or
1 15 which became such a contingency operation by the operation of
1 16 law, or an individual serving in support of those forces,
1 17 unless another period is designated by law. "Eligible member
1 18 of the armed forces of the United States" also means a former
1 19 member of the national guard, reserve, or regular component of
1 20 the armed forces of the United States who was honorably
1 21 discharged due to injuries incurred while on active federal
1 22 service that precluded completion of a minimum aggregate of
1 23 ninety days of active federal service, or a member of the
1 24 national guard, reserve, or regular component of the armed
1 25 forces of the United States who was called up or mobilized for
1 26 active federal service, but was precluded from performing such
1 27 service as the result of one or more medical conditions and
1 28 who has successfully completed ninety days of alternative
1 29 active federal service.
1 30 2. The home ownership assistance program is established to
1 31 continue the program implemented pursuant to 2005 Iowa Acts,
1 32 chapter 161, section 1, as amended by 2005 Iowa Acts, chapter
1 33 115, section 37, and continued in accordance with 2006 Iowa
1 34 Acts, chapter 1167, sections 3 and 4, and other
1 35 appropriations, to provide financial assistance to eligible
2 1 members of the armed forces of the United States to be used
2 2 for purchasing primary residences in the state of Iowa.
2 3 3. The program shall be administered by the authority and
2 4 shall provide loans, grants, or other assistance to persons
2 5 who are or were eligible members of the armed forces of the
2 6 United States. In the event an eligible member is deceased,
2 7 the surviving spouse of the eligible member shall be eligible
2 8 for assistance under the program, subject to the surviving
2 9 spouse meeting the program's eligibility requirements other
2 10 than the military service requirement. In addition, a person
2 11 eligible for the program under this section may participate in
2 12 other loan and grant programs of the authority, provided the
2 13 person meets the requirements of those programs.
2 14 4. To qualify for a loan, grant, or other assistance under
2 15 the home ownership assistance program, the following
2 16 requirements, if applicable, shall be met:
2 17 a. The person eligible for the program shall, for financed

2 18 home purchases that close on or after July 1, 2008, use a
2 19 lender that participates in the authority's applicable
2 20 programs for first-time homebuyers.
2 21 b. If the person eligible for the program is a first-time
2 22 homebuyer, then, for financed home purchases that close on or
2 23 after July 1, 2008, the eligible person shall participate, if
2 24 eligible to participate, in one of the authority's applicable
2 25 programs for first-time homebuyers.
2 26 c. A title guaranty certificate shall be issued for the
2 27 property being purchased under the program.
2 28 5. The authority shall adopt rules for administering the
2 29 program. The rules may provide for limiting the period of
2 30 time for which an award of funds under the program shall be
2 31 reserved for an eligible person pending the closing of a home
2 32 purchase and compliance with all program requirements.
2 33 Implementation of the program shall be limited to the extent
2 34 of the amount appropriated or otherwise made available for
2 35 purposes of the program.
3 1 6. The department of veterans affairs shall support the
3 2 program by providing eligibility determinations and other
3 3 program assistance requested by the authority.

3 4 Sec. 2. Section 35A.15, Code Supplement 2007, is repealed.

3 5 EXPLANATION

3 6 This bill concerns the home ownership assistance program
3 7 for members of the military. The bill transfers the Code
3 8 section providing for the program from Code section 35A.15 to
3 9 new Code section 16.54 and makes changes to the program.
3 10 The bill provides that a person who served at least 90 days
3 11 of active duty in a combat zone or hazardous duty area
3 12 beginning on or after September 11, 2001, is eligible for the
3 13 program. The bill also allows persons who were injured prior
3 14 to serving 90 days or were called up for such service but were
3 15 unable to serve in a combat zone or hazardous duty area due to
3 16 a medical condition but still served on active duty. Current
3 17 law provides that the period of service must have occurred
3 18 between September 11, 2001, and June 30, 2008.

3 19 The bill also provides that a person eligible for the
3 20 program may participate in other loan and grant programs of
3 21 the Iowa finance authority.

3 22 The bill establishes additional requirements for
3 23 participation in the program. If the eligible person is a
3 24 first-time homebuyer, the person shall, for purchases that
3 25 close on or after July 1, 2008, participate in the Iowa
3 26 finance authority's applicable programs for first-time
3 27 homebuyers. In addition, the bill requires a title guaranty
3 28 certificate to be issued for the property being purchased
3 29 under the program and that the eligible person use a lender
3 30 that participates in the authority's programs for first-time
3 31 homebuyers.

3 32 The bill grants the Iowa finance authority rulemaking
3 33 authority for administering the program and provides that the
3 34 rules may provide for limiting the period of time for which an
3 35 award of funds under the program shall be reserved for an
4 1 eligible person pending the closing of a home purchase and
4 2 compliance with all program requirements.

4 3 LSB 5915SV 82

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